MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2015/2016

BET2014 - BUSINESS ETHICS

(All sections / Groups)

7 OCTOBER 2015 2.30 p.m. – 4.30 p.m.

(2 Hours)

INSTRUCTIONS TO STUDENTS

- 1. This Question paper consists of 4 pages with 5 Questions only.
- 2. Attempt FOUR out of FIVE questions. All questions carry equal marks and the distribution of the marks for each question is given.
- 3. Please print all your answers in the Answer Booklet provided.

a) You have just joined a new company and you discover that other senior employees are frequently overstating their mileage claims so that they have a higher pay check at the end of the month. They encourage you to do the same so that you won't report them.

When making a decision about what to do (either to keep quiet and join them, or report them), what are the **basic ethical principles** you are considering in this dilemma (give at least **THREE** principles)? Additionally, explain your decision regarding this dilemma including the **ethical framework** you would apply in justifying your decision.

(15 marks)

b) There are some simple rules of thumb to evaluate the integrity of one's actions, namely the publicity test, trusted friend test, and the reciprocity test. Explain these tests. Also explain the implication when a person fails any one of these tests.

(10 marks)

(TOTAL: 25 marks)

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a) A manager's response to stakeholders depends on the level of morality of the manager. Managers can be classified based on THREE (3) types of moral values. Describe them.

(10 marks)

b) Sally needs an advice from you on the types of potential subcommittees that board members can be assigned to in any given year. Advise her.

(15 marks)

(TOTAL: 25 marks)

QUESTION 3

a) The four types of competitive business strategies a firm uses to convert the natural environment as a stakeholder into a competitive advantage are ecoefficiency, beyond compliance leadership, ecobranding, and environmental cost leadership. Discuss each of the FOUR (4) strategies.

(10 marks)

b) A manager has to consider a number of factors when understanding the potential ethical issues that relate to information technology. Describe the **THREE** (3) policy areas that can address information technology management issues.

(15 Marks)

(TOTAL: 25 marks)

Continued

GK/MS/AC

a) Adam is the CEO of ABC Sdn. Bhd. During the tenure of his leadership, Adam has lied to his employees and was accused of filing false financial reports. In another case, Smith is a managing director of XYZ Holdings Bhd. Smith often talks about ethics and religion. Yet, employees became aware of his deceptive financial practices and conflicts of interest. With reference to the moral person and moral manager matrix, identify and explain which category of leaders do Adam and Smith fall under.

(10 Marks)

b) Companies that are publicly listed must have an audit of their financial statements conducted each year. Discuss the FOUR (4) steps of an audit.

(15 Marks)

(TOTAL: 25 marks)

Continued

a) Total Responsibility Management (TRM) starts with the premise that the vision of the firm drives the development of the code of ethics. Explain the THREE (3) major stages of the TRM system.

(15 marks)

b) Discuss compliance-oriented versus values-oriented training program.

(10 marks)

(TOTAL: 25 marks)

